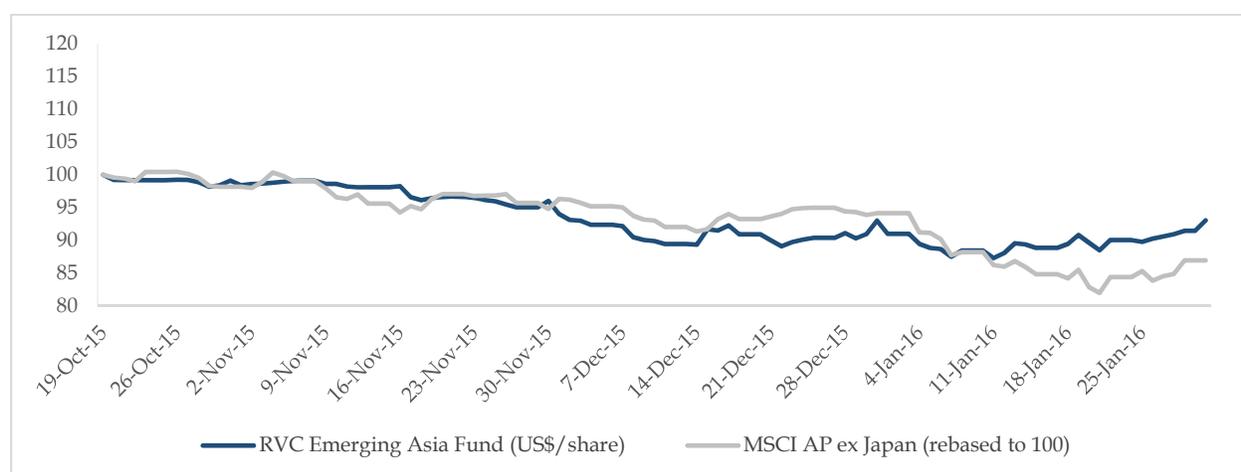


**RVC EMERGING ASIA FUND**

Performance	NAV/Share	1M	3M	YTD	Since inception <sup>(1)</sup>
<b>RVC Emerging Asia Fund<sup>(2)</sup></b>	<b>93.06</b>	<b>0.04%</b>	<b>-3.08%</b>	<b>0.04%</b>	<b>-6.94%</b>
MSCI AP ex Japan		-7.66%	-11.47%	-7.66%	-13.06%



**Market Commentary**

It has been an interesting initial period for the start of the Fund as market volatility picked up significantly in the second half of 2015 as fears over the health of the world economy roiled global finance markets, with the world’s second-largest economy forming the eye of the storm. In the course of the 2015 calendar, Chinese equities formed a parabolic rally, and then cratered. The People’s Bank of China (PBoC) devalued the Chinese Renminbi. Meanwhile, the central bank to the world’s largest economy became a source of policy debate, perhaps even policy confusion. Whilst we consider ourselves to be Macro tourists at best, we will be closely watching China for any signs of economic deceleration and financial instability, observing whether both the European and Japanese central banks will embark on further easing and keeping a closing eye on the Fed to get an idea on how fast they plan to hike rates in 2016.

Specific to Thailand, the Bank of Thailand's Monetary Policy Committee has kept interest rates unchanged at 1.5%, in line with market expectations, and the Government fast-tracked 5 infrastructure projects worth THB 600 bn whilst approving 20 infrastructure projects worth THB 1.79 trn.

### **Investment and Portfolio Outlook**

Cash remained a substantial portion of the portfolio until mid-December 2015 from where we decreased our cash holdings from ~50% of the Fund to ~6% as of the end of January to take advantage of the opportunities that were provided as a result of the market volatility. During that period, we were presented with multiple investment opportunities for both core positions and non-core positions of the Fund. For the core positions in the Fund, we hold five names, where we are satisfied with the entry prices, and they represent close to ~45% of the portfolio. The average expected EPS growth for the core positions in 2016 is ~1,500%. Naturally this is a result of depressed earnings and starting from a low base in 2015. Given that we are still accumulating positions in certain names we will withhold disclosing the ideas until the desired weightings are achieved. For the non-core positions, the volatility in the markets provided us the opportunity to enter into attractive risk/return positions paying us dividend yields ranging from 6-10% for 2016. Finally, we have one special situation position in Singapore, HTL International Holdings Ltd, where the company has received a tender offer at a price 150% higher than our initial entry price. Going forward we expect for the cash portion in the Fund to increase during the month of March and will continue to maintain valuation discipline and cautiously enter into new or existing positions where valuations warrant such action.

Finally, the team has been active on visits and met a total of 80 companies over the past few months throughout Thailand, the Philippines and Indonesia. We came away extremely encouraged by the quality of many of the businesses and management teams we met. Our positioning outside of Thailand is around 3% of NAV, and we will undoubtedly be spending more time traveling throughout the region looking for more opportunities.

Fund information		Management Company	
Fund name:	RVC Emerging Asia Fund	Investment Advisor:	Hybrid Partners Limited (Thailand)
Launch Date:	19 October 2015	Investment Manager:	Ross & Van Compernelle (Cayman)
Current Price:	US\$ 93.06		Harbour Place, 2nd Floor
Bloomberg Ticker:	RVCEMAS KY Equity		103 South Church Street
Investment Policy:	The fund is an absolute return long only investment fund. It aims to discover emerging undervalued companies which are primarily, but not exclusively, small to midcaps.	Tel:	+6621049232
		Fax:	+6621049101
		Website:	www.rossvancompernelle.com
Investment Geography:	Asia with a focus on ASEAN	E-mail:	admin@rossvancompernelle.com
Management Fee:	1.5% p.a.	Custodian:	DBS Bank Singapore
		Fund Administrator:	DBS Bank Singapore
Performance Fee:	15% p.a. over high water mark	Auditors:	PricewaterhouseCoopers

**Footnotes:**

- (1) Inception Date was on 19<sup>th</sup> October 2015  
 (2) Performance data is calculated net of fees

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